VZCZCXRO2013 OO RUEHBI RUEHCI RUEHNEH DE RUEHC #4648/01 2252235 ZNY CCCCC ZZH O P 132218Z AUG 09 FM SECSTATE WASHDC TO RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 6182 INFO RUEHKT/AMEMBASSY KATHMANDU PRIORITY 3310 RUEHCG/AMCONSUL CHENNAI PRIORITY 9634 RUEHNEH/AMCONSUL HYDERABAD PRIORITY 0085 RUEHCI/AMCONSUL KOLKATA PRIORITY 3353 RUEHBI/AMCONSUL MUMBAI PRIORITY 2670 RHEHNSC/WHITE HOUSE NATIONAL SECURITY COUNCIL WASHINGTON DC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEHLM/AMEMBASSY COLOMBO 5759 RUEHKA/AMEMBASSY DHAKA 1362

C O N F I D E N T I A L SECTION 01 OF 02 STATE 084648

SIPDIS

E.O. 12958: DECL: 08/13/2019

TAGS: IN NP PGOV PREL SUBJECT: GOI USG COORDINATED MESSAGE ON NEPAL

Classified By: Classified By: SCA/INSB Patricia Mahoney For reasons 1.4 (b) and (d).

11. (U) Action Request: Please see paragraph 5.

SUMMARY

(C) The Government of Nepal (GON) faces a daunting set of challenges) including poor security, a weak economy, and unresolved elements of the peace process, including how to proceed with rehabilitation of Maoist combatants and their integration into the security forces. The Constituent Assembly (CA) has made only incremental progress in drafting a new constitution over the past year, and has left the controversial issue of federalism largely unaddressed. The failure of all parties in Nepal to tackle these issues increases the potential for greater instability and a possible resurgence of violence. In light of India,s special influence in Nepal, Department believes that a coordinated message by the USG and the Government of India (GOI)) delivered separately and without calling attention to the coordination) could encourage the GON and the Maoists to address these pressing issues.

BACKGROUND

- 13. (SBU) On August 2, the Unified Communist Party of Nepal) Maoist (UCPN-M) announced a five-week series of protests to pressure the Government of Nepal to meet multiple demands, including a discussion about "civilian supremacy" over the Nepal Army and Maoist inclusion in a consensus government under Maoist leadership. Given the volatility of similar demonstrations in the past, coupled with the relative inability of local law enforcement to maintain law and order, concern remains high that the protests could turn violent.
- (SBU) The Maoists intend the protests to highlight the lack of progress on various elements of the Comprehensive Peace Agreement (CPA), including the rehabilitation and integration of former Maoist combatants into the security forces and the drafting of a new constitution) a lack of progress brought on in part by the Maoists, abrupt resignation from the government. The CA,s timetable for drafting Nepal's new constitution has been delayed five times, and the Maoists have publicly demanded that integration and rehabilitation of the Maoist People,s Liberation Army be put on hold until after the constitution is finalized. In addition, Nepal,s recent controversial

request to India for lethal military aid could lead to further complications in implementing the terms of the CPA. The impasse, along with Maoist intimations that they are merely waiting for the current government to collapse, contributes to a sense that Nepal is drifting toward political paralysis and potentially a resurgence of violence.

TALKING POINTS

15. (C/REL INDIA) Due to India,s long-standing relationship with its neighbor, India possesses unique influence with all political parties and actors in Nepal. The Department requests that post contact appropriate GOI interlocutors to share U.S. views and elicit GOI views on the current political stalemate in Nepal. The Department further requests that post note our intention to deliver a message that has been coordinated with India to the GON and the Maoists urging greater progress in implementing the CPA. In light of India,s special influence in Nepal, Department believes that a coordinated message by the USG and the Government of India (GOI) delivered separately and without calling attention to the coordination) could encourage the GON and the Maoists to address these pressing issues. In communicating Department views with GOI officials, post may

STATE 00084648 002 OF 002

draw on the following talking points.

- -- We are concerned by the continued lack of progress in Nepal toward implementing the Comprehensive Peace Agreement. The prolonged stalemate is creating a sense of political drift that could threaten the promise of a strong and peaceful democracy that both of our governments want to see realized in Nepal. The recent announcement that Nepali Chief of the Army Staff General Katawal plans to retire provides all parties in Nepal with an opportunity to push the peace process forward. The Maoists' month-long protest campaign threatens to overshadow this opportunity. It is time for the GON and the parties to re-focus on the key issues: the peace process, the new constitution and the immediate needs of the Nepali people.
- -- We believe that political consensus is needed to overcome the political stalemate in Nepal, and that a unity government is desirable. We welcome GOI views on how to break the political impasse and resume progress.
- -- We are also concerned about the role of the Maoists and their continued unwillingness to completely renounce violence. The Maoists have yet to discharge those disqualified as combatants by the UN, including minors, from Maoist cantonments. Similarly, little progress has been made on the rehabilitation and integration of Maoist army combatants. We are urging the Maoists to play a more productive role in speeding up the discharge and integration process. What are GOI views on how best to elicit more helpful Maoist participation in these processes?

POINT OF CONTACT

16. (U) Please contact Peter McSharry in SCA/INSB at (202) 647-1115 or via email for any necessary further background information regarding this action request.
CLINTON